



MEMORANDUM

To: Members of the House Regulatory Reform Committee
Date: September 28, 2021
Subject: Support House Bills 5062, 5090 and 5093

On behalf of our organizations, we urge you to support House Bills 5062, 5090 and 5093.

The hospitality industry has been disproportionately impacted by the global pandemic. In 2020 the decisive action by the Legislature to pass legislation to support Social Districts, outdoor dining and more undoubtedly saved numerous Michigan restaurants.

These bills seek to continue this work and support the ongoing recovery in downtowns, important commercial corridors and neighborhood business districts.

House Bill 5062 (Rep. Bolden) – Development District Licenses

Downtown Development Districts and Corridor Improvement Districts have been vital tools in promoting investment in key areas and one important tool has been the redevelopment district liquor license. These \$20,000 licenses are available to businesses related to dining, entertainment and recreation who invest at least \$75,000 in a qualified district. The interpretation that new builds do not qualify has created uncertainty from businesses who believed they would qualify for a license. It is a major impediment to businesses who are unable to afford a traditional license and is a barrier to investment in districts whose purpose is to promote new construction and rehabilitation. This bill clarifies that business spaces in new construction projects are eligible if they meet the requirements.

House Bill 5090 (Rep. Clements)-Social Districts & Special Events

The bill eliminates the sunset on the local authority to establish Social Districts, authorizes local units to set operating hours or individual Social Districts and allows for special events to occur concurrently within a Social District commons area. These changes extend and improve upon the highly-successful Social Districts tool that has been used to increase vibrancy and activate business districts in municipalities across Michigan.

House Bill 5093 (Rep. Outman) - Outdoor Patio Service

The popularity of outdoor dining has stayed strong even after a return to traditional dining. Many businesses have invested and will continue to invest in outdoor service areas. This bill provides clarity and predictability in outdoor patio service permitting.

Contact Joshua Lunger at josh@grandrapids.org or 616.771.0336 with any questions.